



September 4, 2007

Mr. Les Boles, Director  
Office of State Budget  
1201 Main Street, Suite 870  
Columbia, SC 29201

Dear Mr. Boles:

Enclosed is the FY 2008 – 09 Budget Request for the SC First Steps to School Readiness. After careful consideration, the State Board of Trustees voted to approve this request. Currently, we have no proviso changes to submit.

We appreciate very much your consideration of our budget request and if you need additional information, please contact Rodney Jenkins or me at 734-0479.

Sincerely,

A handwritten signature in cursive script, reading "Susan W. DeVenny".

Susan W. DeVenny  
Director

## FISCAL YEAR 2008-09 BUDGET PLAN

### I. EXECUTIVE SUMMARY

**A. Agency Section/Code/Name:** Section 1, H63 – Department of Education, SC First Steps to School Readiness

**B. Statewide Mission:** First Steps promotes improved school readiness through collaborative state and county partnerships, serving children ages 0-5, their families and caregivers who prepare them for school success. First Steps initiatives strive to mobilize communities and enhance interagency collaboration in order to: (a) enhance the readiness of young children to enter first grade successfully as measured by indicators of cognition, general knowledge, language, health, social skills, and emotional well-being; (b) strengthen the capacity of families to be their children's first and most important teachers; and (c) enhance the quality and integration of school readiness services provided to young children and their families.

**C. Summary Description of Strategic or Long-Term Goals:**

The purpose of the First Steps initiative [Section 59-152-20] is to “develop, promote, and assist efforts of agencies, private providers, and public and private organizations and entities, at the state level and the community level, to collaborate and cooperate in order to focus and intensify services, assure the most efficient use of all available resources, and eliminate duplication of efforts to serve the needs of young children and their families.”

The goals of First Steps [SECTION 59-152-30] are as follows:

1. To provide parents with access to the support they might seek and want to strengthen their families and to promote the optimal development of their preschool children;
2. To increase comprehensive services so children have reduced risk for major physical, developmental, and learning problems;
3. To promote high quality preschool programs that provide a healthy environment that will promote normal growth and development;
4. To provide services so all children receive the protection, nutrition, and health care needed to thrive in the early years of life so they arrive at school ready to learn; and
5. To mobilize communities to focus efforts on providing enhanced services to support families and their young children so as to enable every child to reach school healthy and ready to learn

**D.**

Summary of Operating Budget Priorities for FY 2008-09:		FUNDING					FTEs			
		State Non-Recurring	State Recurring	Federal	Other	Total	State	Fed.	Other	Total
Priority No.: 1	Title: First Steps	0	\$9,858,576	0	0	\$9,858,576	0	0	6	6.00
Strategic Goal No. Referenced in <u>Item C Above (if applicable)</u> : Activity Number & Name: 799 – 803 and 1714 & 1718; Early Education, Child Care, Parenting/Family Literacy, Health, School Transition, Pre-Kindergarten Expansion, Centers of Excellence Expansion, State and County Administration										
		0	0	0	0	0	0	0	0	0.00
		0	0	0	0	\$ 0	0	0	0	0.00
TOTAL OF ALL PRIORITIES		\$ 0	\$9,858,576	\$ 0	\$ 0	\$9,858,576	0.00	0.00	6	6.00

**E. Agency Recurring Base Appropriation:**

State           \$ 18,213,726  
Federal  
Other         \$ 2,000,000 (EIA)

**F. Efficiency Measures:** Activity Numbers: 799; 800; 801; 802; 803; 1714; 1718

**G.**

Summary of Capital Budget Priorities:			Additional State Funds	Previously Authorized State Funds	Total Other Fund Sources	Project Total
Priority No.:	Project Name: Activity Number & Name:	Project No*:	0	0	0	\$ 0
Priority No.:	Project Name: Activity Number & Name:	Project No*:	0	0	0	\$ 0
Priority No.:	Project Name: Activity Number & Name:	Project No*:	0	0	0	\$ 0
TOTAL OF ALL CAPITAL BUDGET PRIORITIES			\$ 0	\$ 0	\$ 0	\$ 0

\* If applicable

**H. Number of Proviso Changes:** None



Susan W. DeVenny

First Steps to School Readiness

Rodney C. Jenkins, CFO

803 734-0479

I. Director Signature

Agency

Contacts

Telephone Numbers:

## II. DETAILED JUSTIFICATION FOR FY 2008-09 OPERATING BUDGET PRIORITIES

- A. Agency Section/Code/Name: Section 1, H63 – Department of Education, First Steps to School Readiness
- B. Priority No. \_\_1\_\_ of \_\_1\_\_
- C. (1) Title: First Steps to School Readiness  
(2) Summary Description: Statewide school readiness initiative for all children from birth to age 5.  
(3) Strategic Goal/Action Plan (*if applicable*): Same as Executive Summary
- D. Budget Program Number and Name: First Steps XVI
- E. Agency Activity Number and Name: 799 – Early Education; 800 – Child Care; 801 – Parent/Family Literacy; 802 – Health; 803 – Administration; 1714 – Pre-Kindergarten Program and Centers of Excellence; 1718 – School Transition

F. Detailed Justification for Funding

(1) Justification for Funding Increase:

Reauthorized by the General Assembly until July 2013, South Carolina First Steps continues to serve the state's policymakers as a source of targeted, research-based school readiness interventions, a venue for the deliberate coordination of public and private resources at the state and community levels, and an early childhood research and policy clearinghouse for the state. In an effort to fulfill these complementary goals and advance the status of South Carolina's children, the SC First Steps Board of Trustees remains committed to South Carolina's *Roadmap to Readiness*. During the upcoming year, the Roadmap will be expanded with input from other major stakeholders to ensure the increased coordination of resources serving SC's youngest children.

**Expand First Steps' Centers of Excellence: A Coordinated Readiness Model to Reach Young Children in Poverty.**

After laying the groundwork for the model through a public-private, lottery-funded strategy in Georgetown County in 2004, and expanding services to children in trial and plaintiff districts with competitive grants (through legislative proviso dollars in 2007 and carry-forward dollars in 2008), First Steps proposes increasing the model's reach to all South Carolina's at-risk children ages 0-4 in the form of state-funded, competitive grants to County Partnerships in FY09.

**REQUEST: \$2M**  
**Children Served: 400-600**

**Expand High Quality Pre-Kindergarten Programs Targeting Three-and Four-Year-Olds in Poverty.**

First Steps has a seven year track record of providing expansion funds for high quality pre-kindergarten programs in both public and private settings. Now in our second year of CDEPP implementation, First Steps is proud to oversee private sector programs whose pre-kindergarten services meet quality standards and reach families in the trial and plaintiff districts. To ensure these services continue to meet the needs of South Carolina's most at-risk children, we request that pilot dollars recur in the FY09 budget and recommend the addition of a targeting definition for EIA-funded child development programs statewide (enhancing the state's ability to reach children whose needs most closely match those for whom research shows pre-kindergarten has greatest impact). *Should pre-kindergarten be expanded statewide, First Steps respectfully requests one-third new dollars be assigned to support qualified private and community-based setting programs, allowing children to benefit from quality public or private settings.*

**REQUEST: \$7.85M**  
**Children Served: 1100-1300**

(2)

<b>FY 2008-09 Cost Estimates:</b>	<b>State Non-Recurring Funds</b>	<b>State Recurring Funds</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Personnel:</b>					
(a) Number of FTEs*				6	6.00
(b) Personal Service		\$310,000			\$ 310,000
(c) Employer Contributions		\$93,000			\$93,000
Program/Case Services					\$ 0
Pass-Through Funds		\$8,824,576			\$8,824,576
Other Operating Expenses		\$631,000			631,000
<b>Total</b>	\$ 0	\$ 9,858,576	\$ 0	6	\$ 9,858,576
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) Base Appropriation:

State       \$ 18,389,290  
Federal  
Other       \$ 2,000,000 (EIA)

(4) Is this priority associated with a Capital Budget Priority?     No     If yes, state Capital Budget Priority Number and Project Name: \_\_\_\_\_.

G. Detailed Justification for FTEs

(1) Justification for New FTEs

(a) Justification: **Current operations include several temporary staff positions. To implement First Steps' expanded legislative mandate ---as well as to provide the necessary, specialized technical assistance required to assist county partnerships with specific agency mandates (including added evaluation and program impact requirements)-- we envision the need to (a) convert select temporary personnel to permanent staff positions, and (after careful review with other agencies serving children and families to ensure state resources do not already exist that can be accessed through a temporary department loan, etc) (b) add additional positions to the state level technical assistance staff.**

(b) Future Impact on Operating Expenses or Facility Requirements: Operating expenses are included in detail request.

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title: Program Manager I					
(a) Number of FTEs				1	1.00
(b) Personal Service				\$60,000	\$ 60,000
(c) Employer Contributions				\$18,000	\$ 18,000

	State	Federal	Earmarked	Restricted	Total
Position Title: Program Coordinator II					
(a) Number of FTEs				5	5.00
(b) Personal Service				\$250,000	\$ 250,000
(c) Employer Contributions				\$75,000	\$ 75,000



(3) FTEs in Program Area per FY 2007-08 Appropriation Act:

State	<u>          </u>
Federal	<u>    6    </u>
Other	<u>   14   </u>

Agency-wide Vacant FTEs as of July 31, 2007:     2    

H. Other Comments:

The reauthorization of First Steps in June 2006, along with the school equity funding ruling in December 2005, provides policy makers, the First Steps Board of Trustees, its staff and volunteers at state and county levels, and all child- and family-serving partners with a renewed resolve to increase and intensify services to our state's youngest learners at risk of school failure. As such, the board during 2007 took a formal look at the needs for increased coordination and collaboration among entities serving young children. As set out in statute [Section 20-7-9720], set forth in the agency's 2004 improvement plan (The Blueprint for South Carolina's Children), and as part of the state's new Early Childhood Comprehensive Systems and National Governors' Association grants, the board is continuing its efforts to ensure all partners serving children, both public and private, have the opportunity to assist the board in its legislated requirement to "assess and develop recommendations: for ensuring coordination and collaboration among service providers at both the state and county level, for increasing the efficiency and effectiveness of state programs and funding and other programs and funding sources, as allowable, as necessary to carry out the First Steps to School Readiness initiative, including additional fiscal strategies, redeployment of state resources, and development of new programs."

First Steps will continue to support and assist other programs at both state and county levels as services are added, expanded, or further targeted to meet the needs of South Carolina's youngest children as they prepare for school success. A specific review of current economic and achievement data (completed in consultation with our partners from the business, evaluation, and education policy communities at both state and national levels), will assist First Steps through 2009 in its efforts to (1) further identify, target, and deliver research-based and outcome-oriented school readiness interventions to young children and families in need, and (2) promote policies which increase child readiness outcomes and increase South Carolina's ability to be a "ready state."

## FY 2008-09 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

### I. PRIORITY ASSESSMENT OF ACTIVITIES – HIGHEST PRIORITIES

A. Agency Section/Code/Name: Section 1, H63 – Department of Education, SC First Steps to School Readiness

B.

<b>Priority Assessment of Activities – Highest Priorities</b>	<b>General</b>	<b>Federal</b>	<b>Supplemental</b>	<b>Capital Reserve</b>	<b>Other</b>	<b>Total</b>	<b>FTEs</b>
800 – First Steps Child Care	\$ 6,318,977	0	0	0	1,517,300	\$ 7,836,277	5
804 – First Steps Fed. Program TEACH	0	3,211,369	0	0	0	\$ 3,211,369	6
799 – First Steps Early Education	4,223,379	0	0	0	953,730	\$ 5,177,109	5
1714 – First Steps Pre-Kindergarten			\$ 7,858,576			\$ 7,858,576	0
801 – First Steps Parenting/Family Literacy	6,693,793				1,697,103	\$ 8,387,889	5
<b>TOTAL OF HIGHEST PRIORITIES</b>	<b>\$17,236,142</b>	<b>3,211,369</b>	<b>\$ 7,858,576</b>	<b>\$ 0</b>	<b>\$4,165,133</b>	<b>\$ 32,471,220</b>	<b>21</b>

#### Notes:

1. TEACH = “Teacher Education and Compensation Helps,” SC First Steps holds the state license for this federally-funded program which enables child care professionals to increase their education credentials. Funds are drawn from the Child Care Development Block Grant, in partnership with DSS (lead agency for the block grant) as a part of the mandated set-aside to support quality.
2. SC First Steps considers “First Steps Child Care and TEACH” as one agency activity: “Advancing Quality Child Care,” and “First Steps Early Education and First Steps Pre-Kindergarten” as one agency activity: “Increasing Parental Access to High Quality Pre-Kindergarten.” Because these activities are currently listed separately on the Activity Inventory, we have them listed separately on this addendum. Those two activities are our highest priorities.

## FY 2008-09 ACTIVITY PRIORITY ADDENDUM

### II. PRIORITY ASSESSMENT OF ACTIVITIES – LOWEST PRIORITIES

- A. Agency Section/Code/Name: **Section 1, H63 – Department of Education, SC First Steps to School Readiness**
- B. Agency Activity Number and Name: 1718 – School Transition (Countdown to Kindergarten)
- C. Explanation of Lowest Priority Status: The goals of **Countdown to Kindergarten** are:
- To increase successful transition of SC's most at-risk children into the K-12 school environment;
  - To increase parent involvement in the early grades (particularly among the hard-to-reach at-risk community), when children's learning is foundational for life success; and
  - To build greater public awareness of the importance of school readiness and to provide simple ways for parents, caregivers, and communities to impact children's early school success.

As a strategy built on public- private and state- local partnerships, Countdown to Kindergarten has received national recognition for its ability to help make successful transitions to school possible for thousands of SC's rising Kindergarten students. It may be possible for us to increase the level of investment by local and private partners in order to reduce the state-borne expense of this program.

- D. Estimate of Savings:

<b>Estimate of Savings:</b>	<b>General</b>	<b>Federal</b>	<b>Supplemental</b>	<b>Capital Reserve</b>	<b>Other</b>	<b>Total</b>
<b>Personnel:</b>						
(a) Number of FTEs	0	0	0	0	0	0.00
(b) Personal Service	\$ 59,446	0	0	0	0	\$ 59,446
(c) Employer Contributions	\$ 6,539	0	0	0	0	\$ 6,539
Program/Case Services	0	0	0	0	0	\$ 0
Pass-Through Funds	\$ 181,672	0	0	0	0	\$ 181,672
Other Operating Expenses	\$ 18,328	0	0	0	0	\$ 18,328
<b>Total</b>	\$ 265,985	\$ 0	\$ 0	\$ 0	\$ 0	\$ 265,985

E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):

Countdown to Kindergarten is a summer home visitation strategy enabling a 5k teacher to visit the home of an at-risk rising Kindergarten student with a focused, 8 week curriculum designed to engender student success and parent involvement. The program's intensive home visitation (often by the child's actual teacher) prior to matriculation at the school gives the child appropriate practice with materials and strategies to be used in the 5k classroom, and provides the child's parents with a model of parent-child interaction and orientation to school expectations. Without this activity, 5k teachers report they would be less likely to make solid and lasting connections to the families of many of our most at-risk children.

F.

<b>Summary of Priority Assessment of Activities – Lowest Priorities</b>	<b>General</b>	<b>Federal</b>	<b>Supplemental</b>	<b>Capital Reserve</b>	<b>Other</b>	<b>Total</b>	<b>FTEs</b>
1718 – School Transition	\$ 265,985	0	0	0	0	\$ 265,985	0
Activity Number & Name:							0
Activity Number & Name:	0	0	0	0	0	\$ 0	0
Activity Number & Name:	0	0	0	0	0	\$ 0	0
Activity Number & Name:	0	0	0	0	0	\$ 0	0
<b>TOTAL OF LOWEST PRIORITIES</b>	<b>\$ 265,985</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 265,985</b>	<b>0.00</b>